



**DEPARTMENT OF LABOR**

**Bureau of Labor Statistics**

**Proposed collection, comment request**

**ACTION:** Notice.

**SUMMARY:** The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95) [44 U.S.C. 3506(c) (2)(A)]. This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. The Bureau of Labor Statistics (BLS) is soliciting comments concerning the proposed revision of the "The Consumer Expenditure Surveys: The Quarterly Interview and the Diary." A copy of the proposed information collection request (ICR) can be obtained by contacting the individual listed below in the Addresses section of this notice.

**DATES:** Written comments must be submitted to the office listed in the Addresses section of this notice on or before (*INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER*).

**ADDRESSES:** Send comments to Nora Kincaid, BLS Clearance Officer, Division of Management Systems, Bureau of Labor Statistics, Room 4080, 2 Massachusetts Avenue, N.E., Washington, D.C. 20212. Written comments also may be transmitted by fax to 202-691-5111 (this is not a toll free number).

**FOR FURTHER INFORMATION CONTACT:** Nora Kincaid, BLS Clearance Officer, at 202-691-7628 (this is not a toll free number). (See Addresses section.)

**SUPPLEMENTARY INFORMATION:**

**I. Background**

The Consumer Expenditure (CE) Surveys collect data on consumer expenditures, demographic information, and related data needed by the Consumer Price Index (CPI) and other public and private data users. The continuing surveys provide a constant measurement of changes in consumer expenditure patterns for economic analysis and to obtain data for future CPI revisions. The CE Surveys have been ongoing since 1979.

The data from the CE Surveys are used 1) for CPI revisions, 2) to provide a continuous flow of data on income and expenditure patterns for use in economic analysis and policy formulation, and 3) to provide a flexible consumer survey vehicle that is available for use by other Federal Government agencies. Public

and private users of price statistics, including Congress and the economic policymaking agencies of the Executive branch, rely on data collected in the CPI in their day-to-day activities. Hence, data users and policymakers widely accept the need to improve the process used for revising the CPI. If the CE Surveys were not conducted on a continuing basis, current information necessary for more timely, as well as more accurate, updating of the CPI would not be available. In addition, data would not be available to respond to the continuing demand from the public and private sectors for current information on consumer spending.

In the Quarterly Interview Survey, each consumer unit (CU) in the sample is interviewed every three months over four calendar quarters. The sample for each quarter is divided into three panels, with CUs being interviewed every three months in the same panel of every quarter. The Quarterly Interview Survey is designed to collect data on the types of expenditures that respondents can be expected to recall for a period of three months or longer. In general the expenses reported in the Interview Survey are either relatively large, such as property, automobiles, or major appliances, or are expenses which occur on a fairly regular basis, such as rent, utility bills, or insurance premiums.

The Diary (or recordkeeping) Survey is completed at home by the respondent family for two consecutive one-week periods. The

primary objective of the Diary Survey is to obtain expenditure data on small, frequently purchased items which normally are difficult to recall over longer periods of time.

## II. Current Action

Office of Management and Budget clearance is being sought for the proposed revision of the Consumer Expenditure Surveys: The Quarterly Interview and the Diary.

Additionally, as part of an ongoing effort to improve data quality, maintain or increase response rates, and reduce data collection costs, CE is making the below changes.

Three major changes will be implemented in the Diary Survey (CED). First, in an effort to alleviate burden and slow or reverse the decline in response rates, CE has developed an alternative version of the paper diary form. The new version consolidates the four main diary categories onto two, facing, diary pages so that all expenses for a single day can be entered without flipping pages. An effort was also made to reduce the amount of instructions and examples so that respondents are not confused or intimidated.

Second, the earliest placement date and last placement date restrictions for the Diary will be removed allowing Field Representatives to place the diary on any day within the collection month. Data analysis shows that the monthly

expenditures cycles that the earliest and last placement dates were put in place to capture are not statistically significant and were most likely the result of normal random fluctuations in the data that are expected in the survey's data rather than actual expenditure cycles.

Third, in order to simplify procedures and reduce costs, all Diaries will be double placed. With this new procedure, Field Representatives (FRs) will have the entire month to place the diaries instead of 7 days. This should drastically reduce the number of diaries CE loses to the non-interview Type A - Placed Too Late outcome code. As a result, the second Field Representative interview to pick up the Week 1 Diary and place the Week 2 Diary will be eliminated. Data analysis shows that double placements do not appear to have any negative effects on the Diary Survey. Approximately 27% of eligible cases and 33% of completed diaries are currently double placed.

Additionally, CE will delete several tax questions that were deleted from CEQ in 2015 as data received from the IRS have enabled CE to calculate this data rather than collect it.

Several changes will also be implemented in CEQ in order to keep the CEQ questionnaire current. These changes include changes to question wording, deletions, additions, and section restructurings. Questions were added for solar panels, internet away from home charges, and alternative fuels such as

electrical vehicle charging; health insurance questions were revamped to make them clearer and to align with the structure of the National Health Interview Survey (NHIS); questions were combined and reworded such as streaming videos to be combined with rental of movies and combining book purchases with book club subscriptions; questions were deleted on purchases occurring in the current month and on purchases of apps, games, and ringtones; questions on refinancing of a property and on construction and repair of property were streamlined.

The Bureau of the Census conducts the CE Surveys for the Bureau of Labor Statistics (BLS) in support of the Consumer Price Index (CPI) program. The continuing CE Surveys provide a constant measurement of changes in consumer expenditure patterns for economic analysis, and obtain data for future CPI revisions. The CPI program anticipates the need for CE surveys to collect outlet information to serve as outlet frames for most commodities and services (C&S) items as issues with TPOPS collection have resulted in prohibitively high costs. To support this objective, CE will test the addition of outlet questions in several sections of the CEQ survey instrument. In all sections except vehicles, CE will add these questions to the fourth interview only; because vehicle purchases are not reported often, questions on the purchase location for vehicles will be asked in all four interviews. Finally, the Incentives/Outlets Test study questions will be deleted.

A full list of the proposed changes to the Quarterly Interview Survey and Diary Survey are available upon request.

In addition to the Incentives/Outlets test, the Consumer Expenditure program is planning several tests over the next several years in an effort to improve the CE surveys in the areas of both data quality and respondent burden.

#### Desired Focus of Comments

The Bureau of Labor Statistics is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used.
- Enhance the quality, utility, and clarity of the information to be collected.
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

*Type of Review:* Revision, of a currently approved collection.

*Agency:* Bureau of Labor Statistics.

*Title:* The Consumer Expenditure Surveys: The Quarterly Interview and the Diary.

*OMB Number:* 1220-0050

*Affected Public:* Individuals or Households

Total Response Burden for the Quarterly Interview and Diary Surveys				
	Quarterly	Diary	Total	Incentives/ Outlets Test In 2017
Number of responses	29,200	27,780	56,980	-
Total burden hours	28,974	28,780	57,754	20
Total burden hours including Incentives/Outlets Test				57,774

*Total Burden Cost (capital/startup):* \$0

*Total Burden Cost (operating/maintenance):* \$0

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they also will become a matter of public record.

Signed at Washington, D.C., this 24th day of June 2016.



Kimberley Hill

Chief, Division of Management Systems, Bureau of Labor  
Statistics

4510-24-P

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